

TITLE 89: SOCIAL SERVICES  
CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES  
SUBCHAPTER b: ASSISTANCE PROGRAMS

PART 127  
STATE RESPONSIBILITY FOR MEDICARE PART D LOW-INCOME SUBSIDY

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Section

127.100 Eligibility for Low-Income Subsidy

AUTHORITY: Implementing and authorized by the Medicare Prescription Drug, Improvement and Modernization Act of 2003 and Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]

SOURCE: Adopted by emergency rulemaking at 29 Ill. Reg. 10254, effective July 1, 2005, for a maximum of 150 days; adopted at 29 Ill. Reg. \_\_\_\_\_, effective November 23, 2005.

## SUBPART A: GENERAL PROVISIONS

## Section 127.10 Federal Legislative Base

The Medicare Prescription Drug, Improvement and Modernization Act (MMA) of 2003 (P.L. 108-173) establishes a voluntary prescription drug benefit for Medicare beneficiaries under a new Medicare Part D that begins January 1, 2006. Medicare Part D provides medical coverage of prescription drugs to Medicaid eligible individuals who are also eligible for Medicare Part A or enrolled in Medicare Part B. It also provides for extra help with premiums, deductibles and co-payments under a low-income subsidy (LIS) for individuals who meet an income and asset test as described at 42 CFR 423.773.

## Section 127.20 Scope of Department Responsibility

- a) The federal Centers for Medicare and Medicaid Services (CMS) have overall responsibility for implementing Medicare Part D. Under Medicare Part D, the federal Social Security Administration (SSA) has responsibility for eligibility determinations and redeterminations for the LIS, and for appeals of those eligibility determinations and redeterminations.
- b) As described at 42 CFR 423, Subpart S, the State has certain responsibilities related to Medicare Part D. As the agency responsible for administering Medicaid in Illinois, the Department shall make eligibility determinations and redeterminations for the LIS, and hear appeals of eligibility determinations and redeterminations, only for individuals who specifically request a State determination. The Department is also required to notify CMS of LIS eligibility determinations.

SUBPART B: DETERMINATION OF ELIGIBILITY FOR MEDICARE PART D LOW-  
INCOME SUBSIDY

Section 127.100      Eligibility for Low-Income Subsidy

- a)      The Department will encourage individuals to apply for the LIS under Medicare Part D with the Social Security Administration.
- b)      The Department shall make eligibility determinations and redeterminations, and hear appeals of eligibility determinations and redeterminations only for individuals who specifically request a State determination of eligibility for the LIS.
- c)      The determination and redetermination of eligibility for the LIS will be made in accordance with the financial and non-financial criteria established at 42 CFR 423 Subpart P.
- d)      Individuals who are eligible for the LIS will not be required to report changes in circumstances, as described at 89 Ill. Adm. Code 102.50, until redetermination of eligibility for the LIS.
- e)      Unless otherwise specified in federal law or this Section, the Department will be governed by 89 Ill. Adm. Code 101, 102, 104, 110 and 120 in processing applications for the LIS and for hearing appeals of determinations and redeterminations of eligibility for the LIS.
- f)      No State benefit shall accrue under this Section to individuals for whom the Department makes a determination of eligibility for the LIS, and nothing in this Section shall be construed to confer a State benefit on any individual.